



**STATE OF NEW JERSEY**

**Board of Public Utilities**

**Two Gateway Center**

**Newark, NJ 07102**

**www.bpu.state.nj.us**

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF )  
 PATRIOT MEDIA & COMMUNICATIONS, CNJ, )  
 LLC FOR RENEWAL OF ITS CERTIFICATE -)  
 OF APPROVAL TO CONSTRUCT, OWN, )  
 OPERATE, EXTEND AND MAINTAIN A CABLE )  
 TELEVISION AND CABLE COMMUNICATION )  
 SYSTEM IN THE TOWN OF CLINTON, )  
 COUNTY OF HUNTERDON, STATE OF NEW )  
 JERSEY )

RENEWAL  
CERTIFICATE OF APPROVAL

DOCKET NO. CE04030196

SERVICE LIST ATTACHED

BY THE BOARD:

On July 7, 1982, the Board granted Hunterdon Cablevision, Inc. ("Hunterdon") a Certificate of Approval in Docket 815C-6788, for the construction, operation and maintenance of a cable television system in the Town of Clinton ("Town"). On December 10, 1986, the Board approved the transfer of the Certificate from Hunterdon to Comvideo d/b/a C-TEC Cable Systems in Docket No. CM86111216. On March 12, 1993, the Board issued a Renewal Certificate of Approval to Comvideo, Inc. d/b/a C-TEC Cable Systems in Docket No. CE92040393. On October 27, 1993, in Docket No. CM93080313, the Board approved the restructuring of C-TEC into three separate subsidiaries, which included Comvideo d/b/a C-TEC Cable Systems and RCN of New Jersey, Inc ("RCN"). In that transaction, RCN acquired the majority voting control in C-TEC Cable Systems, the ultimate parent company. On March 12, 2003, the Board approved the sale and transfer of the Certificate of Approval from RCN to Patriot Media and Communications CNJ, LLC, in Docket No. CM02090653. Although the Petitioner's above referenced Certificate expired on March 12, 2003, it is authorized to continue to provide cable television service to the Town pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

The Petitioner's predecessor filed an application for the renewal of its municipal consent with the Town on June 28, 2002, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. On December 30, 2003, after public hearing, the Town adopted an ordinance granting renewal municipal consent to the Petitioner. On January 8, 2004, the Petitioner accepted the terms and

conditions of the ordinance, in accordance with N.J.S.A. 48:5A-24. On March 22, 2004, pursuant to N.J.S.A. 48:5A-16, Petitioner filed with the Board for a renewal of its Certificate of Approval for the Town.

The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval and the municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board **HEREBY FINDS** the following:

1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Certificate of Approval. Further, these qualifications were reviewed by the Town in conjunction with the municipal consent process.
2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate and proper service.
3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
4. The franchise period as stated in the ordinance is 15 years, to expire on January 1, 2019. The Board finds this period to be of reasonable duration.
5. The Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate (Appendix "I"). The minimum homes per mile ("HPM") figure is 25.
6. Pursuant to the Board's order dated February 13, 2003, In Docket No. CX01070460, which was subsequently amended in Docket No. CM02090653, the Petitioner was required to complete the rebuild/upgrade of the cable system in the Town no later than December 31, 2004. The new system will operate at a minimum capacity of 750 Megahertz (MHz) and will be capable of providing two-way high-speed cable modem service, high quality digital cable channels, increased network reliability and improved picture quality. The Office of Cable Television has confirmed that the rebuild was completed on January 21, 2004.
7. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates, and promptly file any revisions thereto.
8. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the Town. In this case, it is the Office of Cable Television. All complaints shall be received and processed in accordance with the applicable rules.
9. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The Petitioner currently maintains a local office located at 100 Randolph Road in Somerset, New Jersey.

10. The franchise fee to be paid to the Town is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Town. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
11. The Petitioner shall provide public, educational, and governmental ("PEG") access equipment and facilities as described in the application and the ordinance. The Petitioner shall also select various events of local interest for video coverage using its mobile facilities and production personnel. The Petitioner shall continue to provide one public access channel and one educational access channel. Upon completion of the upgrade, the Petitioner shall provide two, two-way capable access channels to the Town. The first access channel will continue to be the existing educational access channel which is shared by the North Hunterdon Regional High School and the Hunterdon Central Regional High School. - The second channel is a new PEG channel dedicated to the Town that will be located at 47 Leigh Street in the Town. The Office of Cable Television has confirmed that the above provision was completed.<sup>1</sup>
12. Within 60 days of the date of issuance of this Certificate, the Petitioner shall provide the Town with a capital contribution in the amount of \$12,000.00 for the funding of both the educational access channel and the Town's cable related needs. The Petitioner shall file a statement with the Office of Cable Television indicating its compliance with the above provision upon completion.
13. The Petitioner shall provide the Town's PEG access users with reasonable technical assistance in producing programming. The Petitioner shall encourage access channel usage by providing production training courses free of charge to the North Hunterdon Regional High School and the Town. Upon reasonable request, the Petitioner shall conduct a four hour training course two times a year. The above training courses will focus on the production of community based programs.
14. The Petitioner shall provide the installation of one outlet and basic monthly service to each municipal building, public or private accredited school and public library in the Town, free of charge, as stipulated in the ordinance. The municipal locations shall include, but not be limited to, the following:
  - a. The community center located at 63 Halstead Street.
  - b. The municipal building located at 43 Leigh Street.
  - c. The water department "Barn" located at 43 Leigh Street.

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<sup>1</sup> On October 12, 2004, the Town's representative confirmed that the channel is in place but will not be activated until the municipality completes construction on the building at the location stipulated and authorizes the Petitioner to fully activate the channel; therefore, the Town is willing to waive the activation of the additional channel until a later date.

- d. The new police facility to be constructed at 47 Leigh Street.
  - e. The waste water treatment plant which shall receive installation in accordance with the Line Extension policy or when the Township installs a line to the sewer plant at its expense.
  - f. The Town of Clinton School, School Street which installation to occur in accordance with the line extension policy, the non-standard installation rates or when a line to the school is installed at the expense of the school.
  - g. The county library branch located at Halstead Street. The installation to this facility shall occur in accordance with the line extension policy, the non-standard installation policy or when a line to the library is installed at the expense of the library.
  - h. Any municipal or public school facility constructed subsequent to the adoption of the ordinance which can be served in accordance with the line extension policy, the non-standard installation policy or when a line is installed at the expense of the Town or a third party.
15. The Petitioner shall continue to provide a 10% discount for senior citizens/disabled persons who meet the income and residency requirements of the Pharmaceutical Assistance to the Aged and Disabled ("PAAD") program.
16. Upon 30 days written notice from the Town, the Petitioner shall make available representatives to meet for the purpose of reviewing the Petitioner's performance. The Petitioner's representatives shall respond to the reasonable requests for information made by the municipality prior to or at such meeting. The Petitioner shall send representatives to pre-construction conferences for Town construction projections. Notices of any such meetings shall be sent to the Director of Operations, 100 Randolph Road, in Somerset, New Jersey.

Based upon these findings, the Board **HEREBY CONCLUDES** that, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), the Petitioner has the municipal consent necessary to support the petition, that such consent and issuance thereof are in conformity with the requirements of N.J.S.A. 48:5A-1 et seq., that the Petitioner has complied or is ready to comply with all applicable rules and regulations imposed by or pursuant to State and federal law as preconditions for engaging in the proposed cable television operations, that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is **HEREBY ISSUED** this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Town.

This Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The Petitioner shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 C.F.R. §76.1 et seq. including but not limited to, the technical standards 47 C.F.R. §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

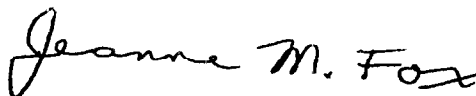
Failure to comply with all applicable laws, rules, regulations and orders of the Board or the Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

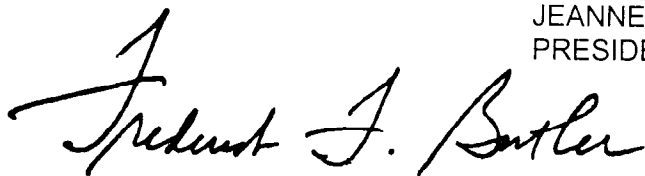
This Certificate shall expire January 1, 2019.

DATED: 11/10/04

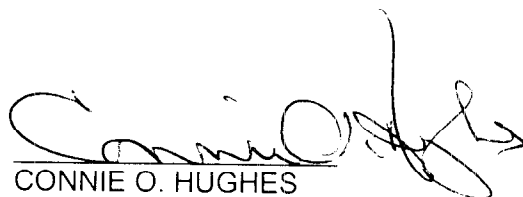
BOARD OF PUBLIC UTILITIES  
BY:



JEANNE M. FOX  
PRESIDENT



FREDERICK F. BUTLER  
COMMISSIONER



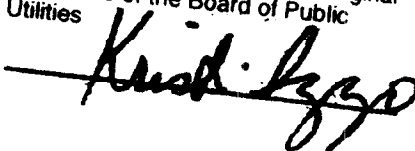
CONNIE O. HUGHES  
COMMISSIONER

  
JACK ALTER  
COMMISSIONER

ATTEST:

  
KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public  
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## APPENDIX "I"

## Office of Cable Television Line Extension Policy

Company Patriot Media and Communications CNJ, LLC  
Municipality Town of Clinton  
Docket No. CE04030196

A cable operator is required to absorb the cost of extensions to the system in the same proportion that the extension is to the remainder of the system.

Actual subscribers served by the extension are required to absorb the remainder of the cost.

If new subscribers are added to the extension the cost is adjusted and those who previously paid receive an appropriate rebate.

1.  $\frac{\text{\# of homes in extension}}{\text{mileage of extension}}$  = homes per mile (HPM) of extension
2.  $\frac{\text{HPM of extension}}{\text{Minimum HPM that company actually constructs in the system *}}$  = ratio of the density of the extension to the minimum density which the company constructs in the system ("A")
3.  $\text{Total cost of building the extension times "A"}$  = company's share of extension cost
4.  $\text{Total cost of building extension less company's share of extension cost}$  = total amount to be recovered from subscribers
5.  $\frac{\text{Total amount to be recovered from subs}}{\text{Total subscribers in extension}}$  = each subscriber's share

In any case, the company shall extend its plant along public rights of way to:

1. All residences and businesses within 150 aerial feet of the operator's existing plant at no cost beyond the normal installation rate.
2. All residences and businesses within 100 underground feet of the operator's plant at no cost beyond the normal installation rate.

\* The minimum HPM that the company actually constructs in the system or municipality is the minimum number of homes which the company has historically constructed at its own cost. This is a function of the operator's break even point and its rate of return. Unbuilt systems will use the primary service area rather than construction.

The operator's installation policies shall apply to construction beyond the public right of way.

Detailed accounting and/or financial information to support the minimum HPM shall be supplied to the Office for its approval in such form as required. The minimum HPM shall be updated as appropriate.

When a request for service is received, and unless good cause is shown, cable companies shall:

1. Provide a written estimate within 30 days of such a request.
2. Begin construction within 60 days of receipt of any deposit monies from potential subscribers.
3. Complete construction within six months of receipt of any deposit monies from potential subscribers.
4. Inform each home passed along the extension of the potential costs for subscribers.

Subscribers who pay for an extension shall be entitled to rebates in the following manner:

1. If the company acquires new subscribers subsequent to the initial calculation of step 5, above, the formula will be adjusted and those who have previously paid for the extension will be entitled to an appropriate rebate. In no event shall the amount of the rebate exceed the subscriber's contribution.
2. The company shall keep accurate records of the cost of the extension, the amounts paid by subscribers and any appropriate adjustments.
3. The company shall notify subscribers in the extension of their rights and responsibilities concerning the extension.
4. Once an individual dwelling has paid its share of the extension cost future reconnections or installations shall be made at the company's standard rates.
5. After a period of five years from the installation of the first dwelling unit in the extension no further adjustments shall be made. Installations after five years shall be at the company's standard rate.
6. Once a subscriber is installed, that person shall not normally be entitled to a refund of any monies paid for the installations, except in accordance with the rebate procedure outlined in this policy.

## **Definitions**

### Primary Service Area

The Primary Service Area (PSA) can be an entire municipality but in many instances, the PSA is a limited area within a community outside of which a line extension policy may apply. The PSA is depicted by a franchise map and narrative, presented and recorded during the franchise proceedings. It normally remains a fixed geographic area throughout the life of the franchise.

### Line Extension Survey

Potential subscribers residing outside the PSA who request service are entitled to an estimate of their share of the cost to secure service. When conducting a survey and estimating costs, a cable company should factor-in all potential subscribers who could practicably be included in the extension and give consideration to apparent residential construction in areas contiguous to the proposed extension.